MOTION BY SUPERVISOR YVONNE B. BURKE

NOVEMBER 21, 2006

The County owns a 10,646 square foot building located at 8019 Compton Boulevard, South Los Angeles. This facility is the former Florence/Firestone Health Center which was closed by Department of Health Services (DHS) in 2002 as a result of the restructuring of the delivery model used to provide outpatient health services within the County. The facility was subsequently occupied by the Department of Mental Health (DMH) after it took over the services previously provided by Youth Intervention Program (YIP), a contracted service provider, and has been occupied since December of 2005 by Tessie Cleveland Community Services Corporation (Tessie Cleveland), a subcontractor to Special Services for Groups (SSG).

Tessie Cleveland through SSG, has provided mental health services targeting children and their families in the South Los Angeles neighborhood with services designed to assist clients in their efforts to succeed at home and in school through an intensive non-traditional community based services model that provides "whatever is needed" to build resiliency for the children and families that receive these services. These programs, known as the Children's Collaborative and South Los Angeles Family Services, accept referrals from other mental health service providers, and the

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MOTION BY SUPERVISOR YVONNE B. BURKE NOVEMBER 21, 2006 PAGE TWO

Departments of Public Social Services and Children and Family Services. Treatment components consist of basic outpatient services as well as short-term intensive day treatment and therapeutic behavioral services. These intensive services include responding to the needs of children returning from acute inpatient hospitalizations or out-of-home placements in the community on a 24/7 basis.

DMH has an expectation that the need for these services by County residents will continue for the foreseeable future and that based on its proven performance, Tessie Cleveland is clinically, administratively and fiscally prepared to effectively manage these programs. The subject County-owned property is centrally located within the service area being targeted and its existing build-out as an outpatient clinic makes it uniquely suitable to Tessie Cleveland's service needs. Additionally, Tessie Cleveland is willing to assume financial responsibility for the implementation of repairs to various building components suffering from deferred maintenance. It is therefore in the County's best interest to convey the subject property to Tessie Cleveland for the specific purpose of continuing its use in conjunction with the delivery of mental health services to the surrounding community.

I, THEREFORE MOVE THAT THE BOARD OF SUPERVISORS AUTHORIZED GOVERNMENT CODE SECTION 26227 TO:

- 1. Find that the property is not needed for County purposes;
- Find that the proposed sale of this property is categorically exempt from California Environmental Quality Act (CEQA) under Class 12 of the County's Environmental Document Reporting Procedures and Guidelines and Section 15312 of the state CEQA guidelines;
- 3. Find that the mental health services provided by Tessie Cleveland to the local community serve public purposes which benefit the County and its residents;

MOTION BY SUPERVISOR YVONNE B. BURKE NOVEMBER 21, 2006 PAGE THREE

- 4. Approve the sale of the property to Tessie Cleveland for its fair market value of \$1,440,000 of which \$144,000 is to be paid in cash and the remainder secured by a Promissory Note and Deed of Trust in exchange for a 30-year commitment to exclusively operate the property for the purpose of providing social programs that benefit the community, as determined in the County's sole discretion. In the event that County determines that this condition is breached, then all right title and interest in and to said Property shall revert back to the County upon provision of a 30-day notice without any necessity of any other affirmative action on the part of the County;
- 5. Authorize the Chief Administrative Office (CAO) to negotiate terms of the sale including a purchase and sale agreement and instruct the Mayor to sign the agreement upon presentation, subject to prior approval by County Counsel.
- 6. Instruct the Mayor to sign the quitclaim deed upon presentation subject to prior approval by County Counsel;
- 7. Authorize the CAO to negotiate a Promissory Note in the amount of \$1,296,000. The Promissory Note is to be secured by a Deed of Trust recorded against Tessie Cleveland's fee interest at an interest rate of six percent per anum over a 30-year term; and
- 8. Authorize the CAO to finalize and/or execute all other documents necessary to complete the sale transaction, and for the Auditor-Controller to deposit the net proceeds from the sale in the Asset Development Implementation Fund.

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